

Current Expense Financial Plan

FOOTNOTES

(a) The 1997 Actual column reflects actual amounts as reported in the 1997 Consolidated Annual Financial Report (CAFR).

(b) Revenue estimates for 1997-2001 are based on the following assumptions. The percentages indicate the expected annual percent change over the previous year, except in the case of interest, which is stated in its expected absolute earnings rate for the year.

	1997	1998	1999	2000	2001
Property Tax	Actuals	5.5%	5.5%	5.5%	5.5%
Sales Tax	Actuals	2.6%	4.5%	1.5%	0.0%
Interest Earnings	Actuals	6.0%	5.5%	5.0%	5.0%
All Other	Actuals	Individual Estimates	Individual Estimates	Individual Estimates	Individual Estimates

(c) Debt service schedule for 1997-2001 is based on the schedule on the next page.

(d) The financial plan assumes an overall underexpenditure rate of 1.75% of total CX expenditures in 1998 - 2001. This is net of any amount that is returned to agencies as part of the Savings Incentive Program in which they get to reinvest one-half of all savings in excess of the required underexpenditure level, if budget conditions allow. The other half goes into an Opportunity Fund Reserve.

(e) An amount equal to 25% of the additional .2% sales tax had been set aside in a Sales Tax Reserve Fund until it reached its threshold of \$15 million set the Council to be kept in reserve for emergency needs. The 1999 Budget assumes full use of the Sales Tax Reserve collections (\$4,091,946) for major maintenance less the amount needed (\$98,341) to restore the 1999 reserve to its required level of \$15 million for a total amount of \$4,371,139. The Sales Tax Reserve is held steady at \$15 million in 2000-2001 by programming all of the Sales Tax Reserve collections for major maintenance during those years.

(f) An amount equal to 23% of the additional .2% sales tax is set aside in the Children and Family Services Fund. The reserve is growing in the years 1999-2001 as revenue is expected to outpace program expenditures during this period.

(g) Revenue from the sale of the Public Safety helicopter in 1997 were reserved for the Public Safety IRIS Mobile System. The 1998 reserves were for the Logan/Knox lawsuit settlement and the support for Emergency Medical Services. The outyear reserves are for the unpaid portion of Logan/Knox.

(h) 1998 Operating Expenditures:

Adopted Budget	398,640
1997 Carryovers	5,233
Supplemental Activity	16,241
Est. Underexpenditures	(7,268)
Total	412,846

(i) 1998 CIP/Other Contributions:

Housing Opportunity	2,610
PERF	364
Parks CIP	514
Major Maintenance	3,702
1997 Carryovers	1,745
Total	8,935

(j) 1999 CIP/Other Contributions:

Housing Opportunity	3,410
PERF	375
Facilities CIP	250
Parks CIP	205
Major Maintenance	4,274
Total	8,514

(k) Operating expenditures for the period 2000-2001 are based on the following assumptions:

2000 - 1999 Proposed with a 2.0% COLA factor for salaries, a 2.5% inflation factor for O&M accounts, and a 9.0% inflation factor for employee medical benefits. This results in an overall inflation factor of 3.14%.

2001 - 2000 Estimated Budget with a 2.25% COLA factor for salaries, a 3.5% inflation factor for O&M accounts, and a 6.8% inflation factor for employee medical benefits. This results in an overall inflation factor of 3.09%.

(l) Estimated CIP contributions for 2000 and 2001, respectively.